



NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
WESTERN DISTRICT OF MISSOURI

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FOR IMMEDIATE RELEASE

CHILLICOTHE RESTAURANT OWNER SENTENCED FOR TAX EVASION

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced today that a Chillicothe, Mo., restaurant owner was sentenced in federal court today for tax evasion.

Chang King Wu, 40, a naturalized U.S. citizen born in China, was sentenced by U.S. District Judge Fernando J. Gaitan this morning to one year and nine months in federal prison without parole. The court also ordered **Wu** to pay \$95,434 in restitution to the Internal Revenue Service. Today's sentence, Graves added, takes into account **Wu's** obstruction of justice as he attempted to mislead law enforcement officers during the investigation of the case.

On Jan. 13, 2006, **Hue Hien Chung**, 41, a naturalized U.S. citizen born in South Vietnam, was sentenced to two years of probation for being an accessory after the fact to the tax evasion. **Wu** and **Chung** have lived together since approximately 1987 after having a traditional Vietnamese wedding, though they were never legally married. Both **Wu** and **Chung** pleaded guilty on Sept. 30, 2005.

Wu opened the Beijing Restaurant in Chillicothe in 1990, and is still involved in the operations of the restaurant. In the past, **Wu** has also been involved with the Beijing Buffet in Excelsior Springs, Mo., and Chinese Buffet in Marshall, Mo.

Wu admitted that he attempted to evade paying a large part of the income taxes he owed for 1998 to 2001. For each of those years, **Wu** filed fraudulent income tax returns claiming a low taxable income, when his actual income was substantially higher.

Although **Wu** only claimed an annual taxable income ranging from \$10,000 to \$21,000 during that four-year period, Graves said, his unreported income during those years totaled \$329,543. The total additional tax due and owing for those years is \$95,434.

During that time, Graves added, **Wu** deposited more than \$544,000 into his personal and business bank accounts and into the personal accounts of **Chung**. On April 16, 2002, **Wu** told federal investigators that the source of those deposits was a hoard of gold he had brought with him from Vietnam, as well as gifts and loans from friends and family. **Chung** told federal investigators that her maternal grandfather had given her packages for safekeeping, which were subsequently discovered to contain \$300,000. After her grandfather died, **Chung** claimed, she gave the money to **Wu**. **Wu** later recanted his original explanation and adopted the story of the cash hoard described by **Chung**, which both have since admitted was false.

This case was prosecuted by Assistant U.S. Attorney Frances Reddis. It was investigated by IRS-Criminal Investigation.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

www.usdoj.gov/usao/mow